

U.S. Embassy Belgrade, Serbia  
Solicitation S-RB100-17-R-0001  
Group Life Insurance Services

Questions & Answers

As of November 15, 2016

1. Question: Please clarify if it's required to state the total annual price in table B.6.6 considering that in the tables B.6.1, B.6.2, B.6.3, B.6.4 and B.6.5 the rates and premiums are expressed as estimated bi-weekly payroll amounts.

Answer: Yes, offerors must enter pricing in all the tables in Section B, including the totals in B.6.6.



2. Question: Please clarify if there are clearly defined rules how to describe how contact experience may affect the possibility of economic price adjustment.

Answer: There are no "rules" for the Premium Adjustment Based on Experience other than those stated in Section B.8.1. The Contractor may initiate a request for an upward or downward adjustment at any time during contract performance when a substantial loss or gain has been experienced, but not more often than once in 12 months. No adjustment will be allowed during the first twelve months of the contract.



3. Question: Please describe the requested "disability" coverage in section C.2.1.2 ((2) Accidental or work related death/disability: 1x times the annual basic salary).

Answer: Please see Section C.3 DEFINITIONS - DISABILITY, TOTAL\* AND PERMANENT. Any claim submitted which fits this definition shall be fully paid in accordance with the terms of the contract (1x times the annual basic salary).

\*The term total disability refers to a total and permanent loss of work capability which requires separation from employment in accordance with applicable Serbian laws.



4. Question: Please clarify if the stated conditions and limitations under Section C.2.2 Life Insurance Benefits Conditions and Limitations represent strict setting of this contract, and should the Contractor impose general limitations and exclusions according to the insurance company's official Terms and Conditions, as well as the usual exclusions in accordance to General Insurance practice (i.e. if a casualty occurs while steering an airplane or other aircraft without an

appropriate official license authorizing the driver to steer and drive that kind and type of aircraft, except when the insured is a passenger.)

Answer: Only the limitations in Section C.2.2 Life Insurance Benefits Conditions and Limitations apply. No other terms or conditions will be applicable.



5. Question: In section H.5. REPORT REQUIREMENTS – Contractor requires detailed list of all claims paid including personal details of claimant. According to the Serbian Law on the Protection of Personal Information, any activity in connection with personal data (collection, oral or written exchange, distribution, making available, copying, transcribing, reproduction) is the activity of processing of personal information. Data processing is possible only on the basis of the law or upon written approval of the person concerned. Only if the above conditions are met and if we have written approval for submission of data it is possible to provide data. Will contractor accept list of claims paid without any personal details of the claimant?

Answer: No, we will require limited personal data. Once the contract is signed, the COR will provide the contractor with a signed statement from all employees permitting the contractor to disclose their full names and amounts of paid claims in reports to the Embassy alone, as mandated by the contract.



6. Question: Section 52.216-19 further describes ORDER LIMITATIONS - please clarify paragraph (b) and the provided limitations under “single item order” and “combination of items order”. Will procurements under the contract be single item or combination of items orders?

Answer: Task Orders which will be issued under the contract can contain only a single item, e.g. Death Coverage (C.2.1.2) or multiple items, e.g. Death Coverage (C.2.1.2) and Total Disability Coverage (C.2.1.3). The Embassy expects to issue orders for multiple items under this contract, but may order single items if required.



7. Question: Section 52.216-21 REQUIREMENTS - please clarify specific paragraph “(d) The Government is not required to purchase from the Contractor requirements in excess of any limit on total orders under this contract.” Does previously stated maximum order per single item / combination of items represents maximum value of this Procurement?

Answer: No. The limit on total orders is the total contract value, hence, the above paragraph means that the Government is not required to purchase from the Contractor requirements in excess of the total value of the contract.



8. Question: What should be expressed in the columns “Premium (per 1,000) of Salary” and column “Total”? (B6.1 – B.6.5.)

Answer: Premium (per 1,000) of Salary is the amount of the premium which the Government will pay the contractor for every EUR 1,000 of an employee’s salary, e.g. if the premium is EUR 1.00 and the employee’s bi-weekly salary is EUR 1,300.00 the premium will be EUR1.30.

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9. Question: Is the premium expressed on biweekly or annual basis?

Answer: Bi-weekly.

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10. Question: Is the premium expressed per employee?

Answer: No, it is expressed as a lump sum for the Estimated Payroll (EUR biweekly, in thousands).

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11. Question: Is the premium for death due to accident and natural death expressed in a single amount?

Answer: Premiums for Death Coverage and Total Disability Coverage are separate and are hence listed as two separate contract pricing line items.

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12. Question: What is meant by term – Fixed retention amounts (B 7.2)

Answer: The retention amount is part of the premium and may include, but not be limited to, such costs as overhead and general and administrative costs. It will also include any profit. Essentially, it includes all costs except the actual portion of the premium intended to fund claims paid to the claimant.

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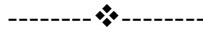
13. Question: Amount of Employee Life insurance – please explain part C2.1.1 since employees’ salary amounts are different and they all are of different ages – this indicates that every employee has his/her own individual premium.

Answer: No, the Government requires an across-the-board flat rate per EUR 1,000 of paid salary.



14. Question: Can you provide us clarification of the item „partial disability“?

Answer: Partial disability is not covered by this contract.



15. Question: What is meant by „Dismemberment“?

Answer: Injuries suffered by the injured resulting in the loss of specific body parts, body functions or sight.



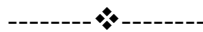
16. Question: What is the payment method?

Answer: Offerors may quote in any currency but payment will be made in RSD for Serbian companies, or in the contracted currency for non-Serbian companies.



17. Question: To whom should the claims be paid – to the Embassy or to the employee?

Answer: See Section H.4. Contractor Responsibility in Claims and Reimbursement to Claimants, paragraph (c).



18. Question: In order to submit an offer, we need the date of birth for each employee and her/his salary range.

Answer: We cannot provide any personally identifiable information, but we have provided in the table below a listing of employees sorted by gender, age range and salary range.

Gender	Age	Salary Range										Total
		10-15K	15-20K	20-25K	25-30K	30-35K	35-40K	40-45K	45-50K	50-55K	55-60K	
Male	18-24	0	0	0	0	0	0	0	0	0	0	0
Female	18-24	0	0	0	0	0	0	0	0	0	0	0
Male	25-29	4	2	0	0	0	0	0	0	0	0	6
Female	25-29	0	1	0	0	0	0	0	0	0	0	1
Male	30-34	6	5	3	0	0	0	0	0	0	0	14

Female	30-34	0	2	1	0	0	1	0	0	0	0	<b>4</b>
Male	35-39	4	13	4	1	1	1	0	0	0	0	<b>24</b>
Female	35-39	2	3	2	5	6	0	0	0	0	0	<b>18</b>
Male	40-44	1	19	9	3	4	3	2	0	1	1	<b>43</b>
Female	40-44	0	1	2	8	5	1	2	1	0	1	<b>21</b>
Male	45-49	2	25	13	7	2	2	1	3	0	0	<b>55</b>
Female	45-49	0	3	0	7	5	2	2	1	0	0	<b>20</b>
Male	50-54	0	16	11	2	4	1	0	2	0	0	<b>36</b>
Female	50-54	0	1	0	6	1	2	0	0	0	0	<b>10</b>
Male	55-59	0	9	12	1	4	0	3	0	0	0	<b>29</b>
Female	55-59	1	1	0	4	2	2	1	1	1	0	<b>13</b>
Male	60-65	0	10	3	2	2	1	0	0	0	0	<b>18</b>
Female	60-65	0	0	0	0	0	0	0	0	0	0	<b>0</b>
<b>Total</b>		<b>20</b>	<b>111</b>	<b>60</b>	<b>46</b>	<b>36</b>	<b>16</b>	<b>11</b>	<b>8</b>	<b>2</b>	<b>2</b>	<b>312</b>



19. Question: The development of life insurance rates for a group of this size is dependent on understanding date of birth, gender, occupation, and annual salary of each employee. Since coverage is a function of salary our overall rate would be higher if the older employees had the higher salaries and conversely the overall rate would be lower if the opposite were true. We feel that since your current insurance company has access to this information we would be at a disadvantage unless we had it also.

Answer: We cannot provide any personally identifiable information nor occupation details. Please see the table above for a listing of employees with sorted by gender, age range and salary range.



20. Question: Please provide three years of loss data by year of account including three years net premium, incurred claims and membership history. For membership history please provide the number of Employees at the end of each year. Please do not include any confidential information, just the overall statistics for the group. Claims information is critical to our pricing and the relationship of claims to employee growth or shrinkage is part of the claims analysis. We feel that since your current insurance company has access to this information we would be at a disadvantage unless we had it also.

Answer:

<u>Year</u>	<u>Risk (death</u>	<u>Paid amount in RSD</u>
2011	Death due to illness	6,717,891 Din.
2012	Death due to illness	4,850,391 Din.
2014	Death due to illness	6,837,810 Din.
20	Death due to illness	7,104,926 Din.

2015	Death due to illness	6,745,122 Din.
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21. Question: We note the bi-weekly estimated payroll increases each year. Please confirm that the increase is provided to account for estimated increases in salaries.

Answer: Yes, the increase is provided to account for estimated increases in salaries.

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